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ORG 1 PRATT & Whitney

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Inept Spying Hinders Space Deal

(c) 1973 By Peter M. James

By the fall of 1970 the Air Force Foreign Technology Division, known in intelligence circles as the Air Force Mafia, had increased efforts to penetrate Pratt & Whitney's Florida Research and Development Center in Palm Beach County without the knowledge of the company's security department.

Several managers from the center already were covertly involved with the division.

The division's domestic activities, such as infiltrating U.S. companies and influencing intelligence assessments were legitimate grounds for a congressional investigation.

The scope of their overseas operations was more frightening.

I had witnessed inept attempts to "spook" Russian scientists in Europe and South America. Agents had harassed my wife Diane and me and spied on other Americans.

Foreigners were given the false impression that almost all U.S. scientists were part of massive intelligence operations where no nation was immune. This hindered, for example, the serious negotiations between National Aeronautics and Space Administration scientists and the Soviets on the Apollo-Soyuz joint mission in 1975.

Many of the approximately 6,000 employees of Pratt & Whitney in Palm Beach County knew me only as the engineer whose desk was piled high with technical journals and who often vacationed abroad with his wife.

But the chief of security for the company, Leo Faucher, and a few other officials knew that I had been preparing reports for the CIA in my dealings with the Soviets in Athens in 1965; Madrid in 1966; Belgrade in 1967; Venice in 1969; Mar del Plata, Argentina in 1969; Paris in 1969; Rome in 1970; and Konstanz, Germany in 1970.

These reports ranged from personal details about Soviet scientists to political intelligence such as conversations held in Premier Alexei Kosygin's office in Moscow to technical intelligence on advanced Russian space systems.

Any citizen who had contact with Soviets abroad might receive a visit when he returns home from a CIA agent who wants to debrief him. This happened to me in 1965 after I went to my first international conference attended by Soviet scientists. The Russians were so secretive about their scientists and technological devel-

vinced it was in the national interest for me to report on my Soviet contacts.

I previously had written two voluminous intelligence reports, classified "Secret - No Foreign Dissemination," for the division on Soviet rocket technology and the Russian space program.

On the basis of these reports, Pratt & Whitney was cited by the Air Force for doing "outstanding" work in the area of foreign technology.

My superiors were lauded by Pratt & Whitney's manager W. L. Gorton and I was promoted in mid-1970 to assistant project engineer.

Thus, with the knowledge of the company's security department, I had been collecting intelligence for the CIA since 1965, and I had been analyzing intelligence for the Air Force since 1968. This was an unusual situation because the U.S. intelligence community usually is rigidly compartmentalized into collectors of intelligence - the so-called spooks - and the evaluators of intelligence - the analysts.

To protect sources of intelligence information, analysts are not told who collected the intelligence they evaluate, and spooks are not told what happens to the intelligence they collect.

I did both with excellent results and I was one of the few persons in the United States who was in a position to compare the finished product - a finished intelligence report - with the raw intelligence collected abroad. And what I saw was shocking.

Almost \$30 billion of the U.S. defense budget was tied up in the research, development, test, evaluation, and procurement of weapons systems which were either justified or designed on the basis of Air Force Foreign Technology Division and Defense Intelligence Agency reports.

The incompetence of division officers and the poor quality of their reports were the subject of numerous private memoranda by Pratt & Whitney and General Electric foreign technology experts and managers.

Fraudulent and erroneous reports by the division could

James is a 33-year-old writer who lives with his wife Diane in Palm Beach Shores. They have just finished a book on the Soviet space effort, which is scheduled for publication in January, and they are working now on another book.

James sat on his story about the Foreign Technology Division for two years since he was fired by Pratt & Whitney allegedly for violating company rules. As James puts it, "I wanted to be absolutely certain my facts were correct" before proceeding with publication.

The story of the division, as told by James in his series for The Post, is one-sided only because those who might have a response aren't talking.

CIA 3.03 USSR

CIA 3.01.2

(orig under James)

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